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NEAR EAST - AFRICA

1. Comment on the Iranian situation:

The failure of the attempt to remove Prime Minister Mossadeq and the flight of the shah to Baghdad emphasize Mossadeq's continued mastery of the situation and foreshadow more drastic action on his part to eliminate all opposition. The prime minister can utilize the situation to generate more popular support for himself at a time when he is facing the problem of how to secure the election of a new and more amenable Majlis. While in the past Mossadeq had not been very aggressive in his efforts to remove his enemies, this incident will reinforce his recent tendency to proceed arbitrarily.

The shah's flight, the involvement of the commander of the imperial guards, and the royal decrees to remove Mossadeq and appoint General Zahedi prime minister present Mossadeq with the opportunity of reducing the shah's position still further or attempting to eliminate the monarchy altogether.

The Tudeh has already come out against the shah and is charging American involvement. It may be expected to give full support to Mossadeq in any drive against the court.

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